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SUBJECT: INTERNATIONAL COMPACT WITH IRAQ: AMBASSADOR'S
MEETINGS WITH UN IRAQ SPECIAL REPRESENTATIVE GAMBARI

Classified By: Ambassador Ryan Crocker for reasons 1.4 (b) and (d).

11. (C) Summary. Ambassador met with UN Iraq Special Representative Gambari on April 7 to discuss the way ahead on the International Compact with Iraq (ICI). The following day Deputy Prime Minister Barham Salih and Gambari co-chaired a meeting with ambassadors of the expanded prep group to announce that the launch of the Compact will take place May 3 in Sharm el-Sheikh. Gambari was in Baghdad on a four day visit in which he met with all of the key players in the Government of Iraq and international community on the Compact. He conveyed the new sense of commitment to Iraq at the UN with the arrival of United Nations Secretary General Ban Ki-moon, and the explicit goal of building on the positive momentum of the March 16 Compact meeting in New York. End summary.

Gambari's Meetings in Iraq

12. (C) Gambari informed the Ambassador that he had met with a range of GoI officials including DPM Salih, both Vice Presidents Hashemi and Abd-al Mahdi, the Prime Minister, National Security Advisor Rubaie, President Talabani, Foreign Minister Zebari, Planning Minister Baban and others to consult about the ICI and to get the Iraqis on board with the UNSG's approach to the Compact launch. As co-chair of the ICI, Gambari aimed to follow up on the March 16 meeting in New York, which he said "exceeded expectations" with 112 countries represented, three at the ministerial level. He described his plans for a rollout series of visits to key regional partners, as well as major western donors.

PM Maliki Commits to Funding the May 3 Launch

13. (C) He also flagged the issue of paying for the ICI part of the Sharm el-Shaikh conference, saying the UN had looked hard, but had been unable to come up with the funds itself, while the Egyptians were only willing to cover the costs of the May 4 Neighbors' conference. The Ambassador noted that the Iraqis were themselves in a position to pay for the conference, and to do so would be a way for the Iraqis to take ownership of the event. In subsequent discussions with DPM Salih, Ambassador received assurances that the Iraqis were willing to do so. On April 8, at the expanded prep group meetings, NSA Rubaie confirmed that PM Maliki, before leaving for Tokyo, had said that Iraq would pay the additional costs of adding the ICI to the Neighbors' event.

UNSG Support for the Compact, and Iraq

14. (C) Gambari told the Ambassador that he hoped to use the

upcoming Bank/Fund meetings to get Finance Ministers from relevant countries to endorse the Compact, with a goal to getting further debt forgiveness from such creditors as Bulgaria and Turkey. He also relayed an idea that had been broached by Rubaie to reach agreement with Kuwait that Iraqi reparations payments could be used via the Kuwait Fund for projects in Iraq. Gambari acknowledged that there continued to be political resistance in Kuwait to debt forgiveness towards Iraq, but he would be visiting Kuwait as well as Saudi Arabia to explore what could still be done on debt before the May 3 launch. One idea would be for Saudi to focus only on the principal of Iraq's debt, some \$15.7 billion. Subsequent discussions by the Ambassador with DPM Salih and Special Adviser Azez made clear that Iraq cannot politically put forward such a proposal but that the Iraqis were prepared to take a more flexible approach given the increased flexibility on the Saudi side demonstrated during the Iraqis' last visit to Riyadh. The Ambassador also confirmed that the PM has received an invitation from the Saudis for a visit before May 3.

15. (C) Gambari was pleased that the Iraqis had apparently overcome many of their reservations about linking the ICI and the Neighbors' events. He sought the Ambassador's views on what more the UN could be doing on the ground in Iraq to be supportive. The Ambassador replied that the UN plays a vital role in Iraq and that the U.S. would welcome support on issues like provincial elections, as well as constitutional reform and the Kirkuk referendum issue. Gambari noted that human rights' reports will now be issued quarterly, and that the UN needed still to convince the GoI that the human rights reports were a helpful instrument despite the criticisms they contained. He acknowledged that the Iraqis had a point that the UN was being more critical of the current democratic

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government than it had been of the previous regime, but that the UN was committed to continuing its work on this key issue. Gambari noted that the recent visit of UNHCR Gutierrez was intended to signal a greater UN commitment to do more to support Iraqi refugees in the region as well as IDP's. He welcomed the decision to send the Iraqi minister of migration to the April 17 conference in Geneva, but also expressed the hope that perhaps FM Zebari could be persuaded to attend the meeting.

16. (C) Gambari acknowledged that the Iraqis felt that the previous UNSG had had reservations about engaging in Iraq, and that he was determined to show that he and UNSG Ban wanted to allay any such concerns about their own commitment. He relayed that Ban had phoned Talabani ahead of Gambari's visit to personally convey his support for the ICI, and that the UNSG would attend the May 3 meeting. The Ambassador suggested that the Compact launch would be an excellent time to announce a prudent UN staff increase in Baghdad, e.g., by assigning UNHCR staff to Baghdad on a permanent basis.

Public Announcement of the May 3 Launch

17. (SBU) At the April 8 meeting with local ambassadors (ICI Prep Group plus G-8 and P-5 and Neighbors) to announce the May 3 meeting, DPM Salih and Gambari each made presentations on the importance of the ICI and solicited one last round of support for Iraq on the part of donors to accentuate the impact of the launch. Barham Salih argued that support for a successful transition in Iraq, e.g., via further debt write-offs, would help put Iraq in the position to not only be a source of stability for the region, but also, given Iraq's resources, to provide assistance in turn for countries in the region. Gambari described his meetings in Baghdad and underscored his role as ICI co-chair as indicating greater UN involvement in and support of the Compact process. He noted that even after the May 3 meeting he would be engaging in outreach with selected countries to help contribute to the

success of the Compact. The Ambassador added his view that the Compact was more than a roadmap for economic reform and reconciliation in Iraq but also an important vehicle for supporting more generally its overall reform process. He confirmed that the U.S. will be represented at the May 3 meeting at the ministerial level. Both DPM Salih and Gambari urged representatives present to submit any comments on the Compact document as soon as possible so that there were "no surprises" in Sharm el-Shaikh. Gambari added, partly in response to a comment by the German ambassador, that the relationship between the International Reconstruction Fund Facility for Iraq (IRFFI) secretariat and the ICI secretariat still needed to be defined and that the UN was working on terms of reference for the Compact secretariat. FM Zebari touched on the funding issue for the conference, which gave Rubaie the opportunity to confirm publicly that the PM had offered that Iraq would pay for the additional costs of the May 3 meeting.

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